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US TRENDS THAT MATTER FOR EUROPE

January 2019

CONTRIBUTORS

Director: Vicente Palacio

Fundación Alternativas
Coordination and Edition: Tram Anh Nguyen
Transcription and Edition: Mateo Peyrouzet

IE School of Global and Public Affairs
Edition: Waya Quiviger
Layout: Christina Veliz
Translation: Richard Preston

Documento de Trabajo Opex nº 96/2019
ISBN: 978-84-949660-6-4
DL: M-8480-2019

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FOREWORD

Vicente Palacio

This Working Paper consists of a brief compilation of a diverse collection of material: the articles, presentations and videoconferences used during sessions of the *"US Trends that matter for Europe"* Working Group. Therefore, they should be taken more as matter for debate than as finished papers or final positions on any of the topics covered.

Our starting point was the observation that the international order, but also the political, social and economic order on a domestic level in the West are undergoing profound changes, some of which stem from the new social, political and economic situation in the United States. The world's major power has become the epicentre of numerous transformations that have accelerated with the arrival of Donald Trump in the White House. The consolidation of a populist political narrative and the implementation of a series of highly disruptive policies in the international system are unequivocal signs of profound transformations rooted in changes that have been under way for years.

At the Fundación Alternativas's Observatory of Foreign Policy (OPEX) we set out to coordinate a Working Group commissioned with the task of analysing those transformations and trends in the United States, primarily from a European standpoint. Our goal was to explore the new social, political, technological, economic and cultural trends that are going to shape thought and debate in Europe and the rest of the world on numerous and very diverse topics – from the new geopolitics to social breakdown; from globalisation and the technological shift to transatlantic relations; the crisis of the traditional political parties; robotization and digitalisation; migration flows, climate change and renewable energies; fake news and new media. Lastly, we tried to begin reflection with regard to Spanish and European political and social agents, drawing a prospective map of important changes that all of these trends are causing on both sides of the Atlantic.

The project included several work sessions at the Fundación Alternativas offices over the course of 2018. They were built around a short presentation, followed by a lively exchange of ideas. Numerous experts linked to the Fundación Alternativas, practitioners and guests from other prestigious Spanish and international institutions took part in the Working Group. To have them with us and be able to broadcast the sessions live to a wide audience, we also made use of Skype and social media.

The result, then, is a starting point rather than an end point: an initial cognitive map that will have to be continued and extended in the future. We have chosen to put into print and disseminate this material electronically thanks to the collaboration of the School of International Relations at the Instituto de Empresa (IE) and its Transatlantic Relations Initiative (TRI) led by Manuel Muñiz, Dean of IE School of Global and Public Affairs, to be more precise. Special thanks go to him and to Waya Quiviger, Executive Director of the TRI, for their collaboration in the completion of this project that we present jointly at the IE headquarters in Madrid.

Madrid, January 2019

CHAPTER I:

THE INTERNAL FRACTURING OF THE TRANSATLANTIC ORDER

Manuel Muñiz

When one looks at the state of transatlantic relations it is truly difficult not to arrive at the conclusion that Europe and the US are drifting apart. This trend has become particularly apparent in recent months in large part due to Donald Trump's statements regarding the future of NATO and the EU. It should be remembered that Donald Trump was the first US President since the founding of NATO to openly question the Alliance's usefulness and to state that if the financial burden of keeping it running was not better shared the US would consider disengaging from Europe. His statements about the EU have not been less harsh, at one point referring to it as a "foe" of the United States; particularly on economic matters and trade. The US President has openly criticized moderate European leaders, like German Chancellor Angela Merkel and has systematically endorsed European populists like Nigel Farage or Viktor Orban that seek to undermine fundamental elements of the European integration project.

Events on the European side of the Atlantic are not significantly better. Europe's newest political movements are on the whole less supportive of NATO and of the transatlantic architecture built since the end of the Second World War. As was to be expected European nationalists like France's Marine Le Pen do not only dislike European political entanglement but are also opposed to their country's commitment to a European-US defense arrangement. In many instances these leaders would like to see their countries leave NATO altogether, while in others they simply wish to abandon some of its governance structures. Some, like Le Pen herself, do not share fundamental parts of US foreign policy, particularly when it comes to Russia. The truth of the matter is, therefore, that as European nationalism and populism rises support for a strong transatlantic alliance declines. And, as is well known, populists in Europe have been doing strikingly well as of late.

Given the diagnosis above one has to wonder what is driving this drift. This is a particularly puzzling question given that at first glance very few of the underlying values or interests of the members of the alliance have really changed over the last decades. Europeans and Americans still share a very broad catalogue of values; values, which overall constitute the foundations of the international liberal order: liberal democracy, individual and political rights, and the belief in open societies and economies amongst others. The strategic interests of Americans and Europeans have surely shifted over the last two or three decades but their foundations remain fairly unaltered. European continental defense remains central for all members of NATO, as does stability in the European neighborhood. The US and Europe are also still the world's greatest trading partners so it is hard to argue that their economic focus is now radically different from that of ten or twenty years ago.

So why is this drift taking place? The literature on the subject focuses mostly on external factors. A major argument is the fall of the Soviet Union and the disappearance of an existential threat to NATO members. As that threat disappeared, the argument goes, the rationale for a strong transatlantic defense bond simply withered away. This might of course be true although a resurgent and revisionist Russia on Europe's doorstep weakens the case significantly. Another structural argument is that of the rise of China. As China rises the US has shifted its focus away from Europe and the Middle East towards East Asia. Obama's famous "pivot to Asia" already pointed in that direction. However, one could argue that, in fact, China's rise should be a strong driver for transatlantic unity. An emerging economic, political and military threat in Asia should surely lead the transatlantic partners to wish to work more closely and to face this threat together. If the Alliance was strong Europe and the US should pivot to Asia at unison.

The question therefore remains: why do we see a growingly fractured Western world? Why are Americans and Europeans finding it harder to work together in a growingly insecure world and one with a rising China that happens to be in many ways deeply anti-Western?

The fact that domestic drivers have been overlooked by the international relations literature might explain why so few have actually focused on the connection between the drivers of national and international political economy. And yet it is there where one finds the origin of some of the forces that are shaping world affairs, and with it the Atlantic space.

If one looks at how the US and European economies have performed over the last three decades one can only conclude that this has been a period of sustained economic growth. Aggregate figures of wealth such as GDP have grown significantly over that period as has GDP per capita in most OECD countries. Even if one takes into account the wealth destruction caused by the recent financial and sovereign wealth crisis that argument still holds: Europeans and Americans have lived through a period of enormous economic progress and are today, in the aggregate, wealthier than they have ever been. The problem with measuring economic progress in this manner is that it leaves out of the calculation more granular developments like actual income distribution, real income for the average family or degree of job precariousness. When broken down at that level we see, for example, that around 70% of US household saw no real market income increase over the last 30 years. We also find that life expectancy in some US communities has fallen in the last generation, something unheard of since the end of the Second World War. Child mortality has also increased in many economically depressed communities in America and the number of deaths from drug abuse has increased. These are all signs of a failing economic and social fabric. European data in countries like the UK, Spain or Italy show similar trends of growing precariousness in certain communities and a generalized erosion of the economic prospects of the middle class.

The causes of this decoupling of growth in the aggregate and average prosperity are manifold although one stands taller: the impact of technology on jobs and income generation and distribution. There is now growing evidence that technological advancements are producing a hollowing out of the middle of the jobs distribution, making many previously well-paid jobs redundant. This is particularly true of jobs that had repetitive or easy to automate components. Whether it is entire job categories that are disappearing or just particular tasks within jobs is a matter of debate but the truth is that many people that used to be employed in middle salary jobs find themselves today struggling to cover basic living expenses. These trends are also producing income concentration in the hands of capital owners, this is, the people who own the job displacing robots and algorithms, and stagnation if not decline of income for large swaths of the labor force.

We also know that the political economy of these trends is perverse and leads to, yet again, the hollowing out of the middle of the political spectrum. The sense of loss of economic opportunity is leading many to question the capacity and motives of traditional political, economic and intellectual elites. These are the elites that have built the transatlantic order. The reason NATO exists is not purely a consequence of a rational evaluation of strategic interests on the part of European and American citizens but rather a delegation of power in favor of their political elites to negotiate and manage their collective security. People were willing to delegate that responsibility if the overall perception is that the international architecture is providing public goods and delivering on growth and opportunity at home. If the trust in elites is eroded so is the architecture they have built. The questioning of the international liberal order from within its boundaries is, therefore, a direct consequence of the loss of trust of Western citizens in their own institutions and their own political leadership.

It is hence not surprising that the new nationalist and populist leadership emerging in Europe, itself a product of anti-elite sentiment, is seeking to upend the established order. NATO and the EU are major pieces of that order. Arguably a Le Pen presidency in France would do more damage to NATO and the EU than any external threat these organizations face. So would an unconstrained Trump Administration.

When trying to address the underlying causes of the transatlantic drift one should therefore focus on domestic political trends within Western countries. Only if the ultimate economic and social causes of Western domestic political convulsion are understood and addressed will the transatlantic order continue to thrive.

CHAPTER II:

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL PROTECTION

Ana Belén Sánchez

Introduction

Questions to be answered:

1) How different trends affect Europeans and what should the EU's response to these trends be.

2) Environmental global regime. Impact of the decision from President Trump to withdraw from the Paris Agreement. What is President Trump´s margin of maneuver in this regard?

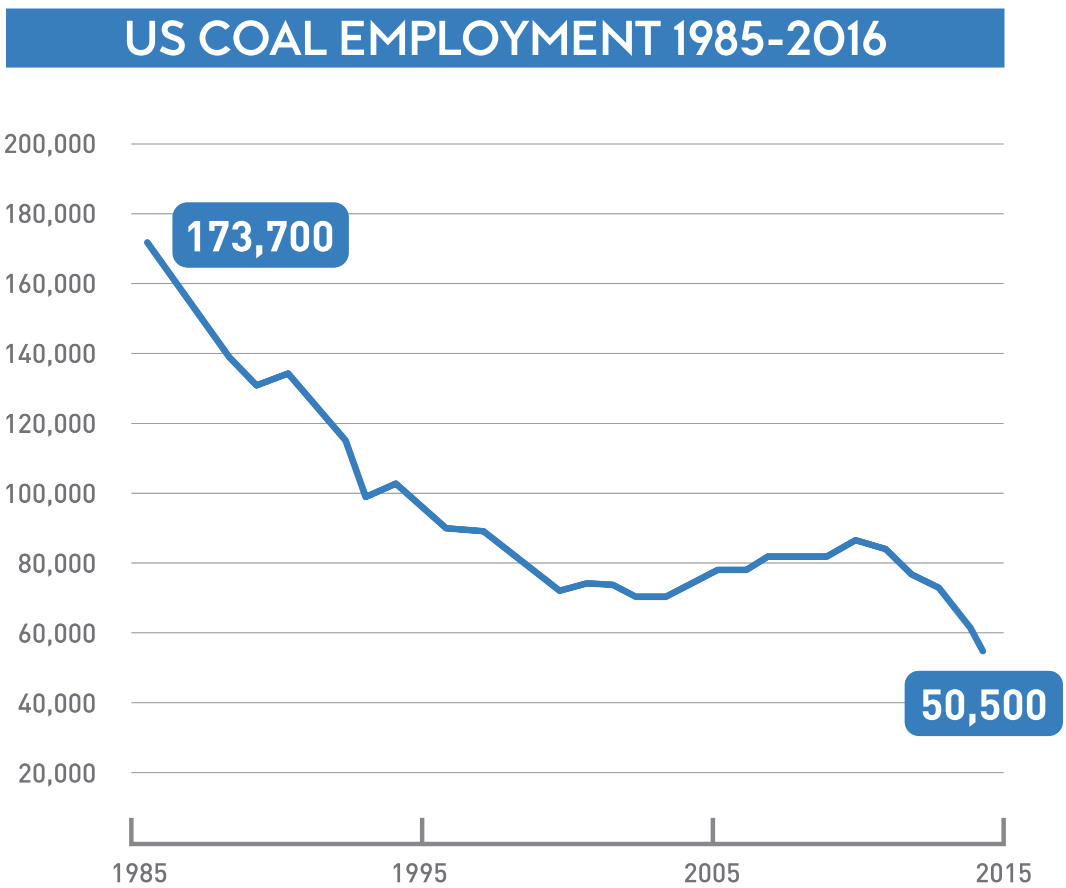
3) State of the matter: reaction from State governments, local governments at the city level and the private sector

4) Current situation of policy changes in the USA in the energy sector. Comparison with the EU. How this situation could affect the EU and how should the EU react?

The current deregulation of the environmental agenda of the Trump Administration

The current environmental situation of the states could be described as precarious. At the time the presentation took place, President Trump announced his intention to withdraw from the Paris Agreement on climate change. This decision was part of his intention to reverse most federal level environmental protection regulations as well as energy and climate change decisions taken by former President Obama. In this regard, withdrawing from the Paris Agreement was only the first step he intended to take to minimize the environmental protection-related laws taken by the US government over the last years.

Coal mining and other fossil fuel industries showed their support for this decision while virtually everybody else opposed this decision. It should be noted that the coal sector was experiencing a difficult situation. Many coal mines were closed over the last years as a result of diminishing demand by the electricity production sectors due to two main reasons: firstly, the replacement of coal by gas at the electricity production facilities and secondly the lower cost of imported coal. Additionally, automation has reduced the need of labor force in the sector, leading to an overall reduction of employment in the sector as seen in the graphic below:



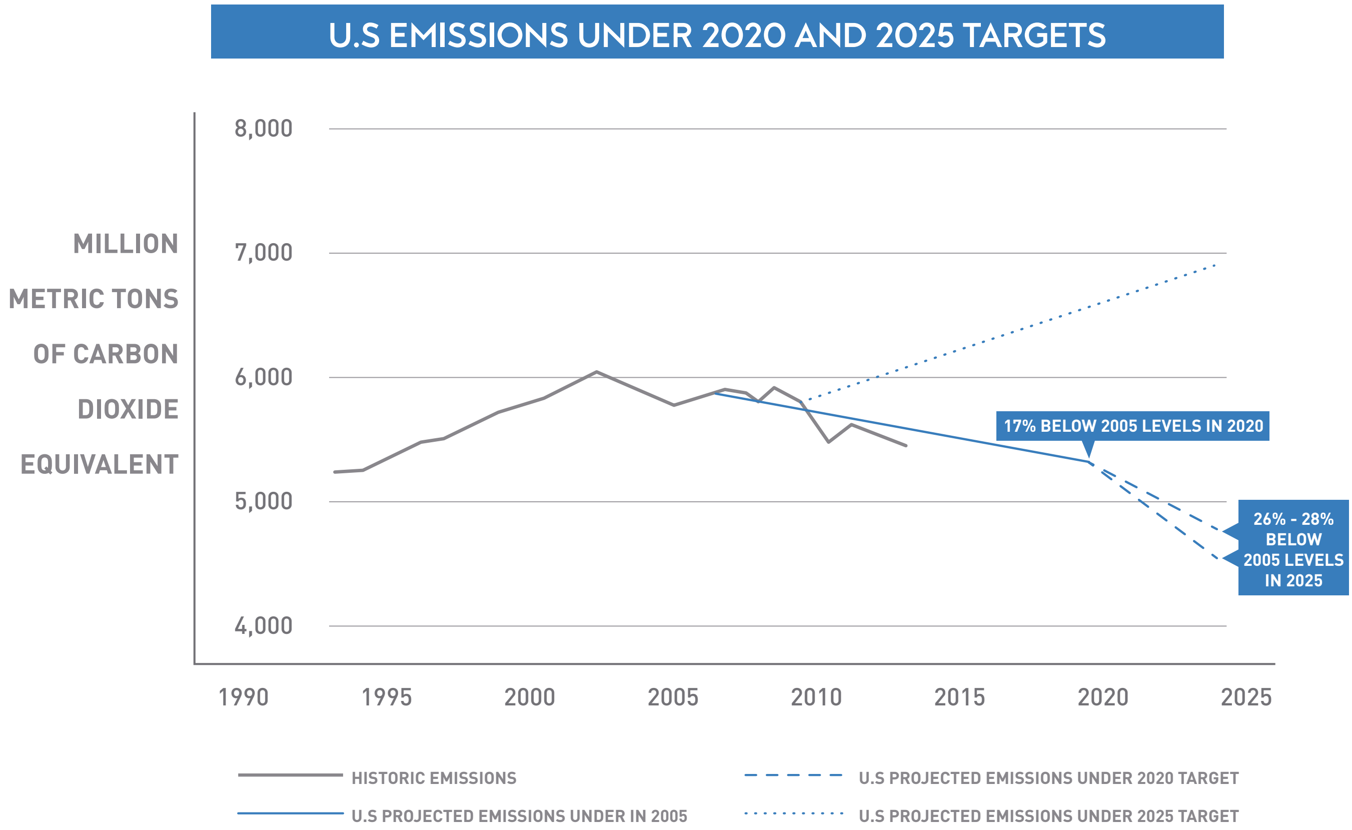
Graphic 1: US Coal Mining Employment 1985-2015

Source: US Bureau of Labor Statistics[1]

1 (https://fred.stlouisfed.org/series/CES1021210001, s.f.)

One of the first regulations that was undone by the current USA administration was the Clean Power Act (CPA) enacted by the Obama Administration in 2015 that aimed at reducing 17% of Greenhouse Gas (GHG) emissions produced by electricity power plants in the country by 2020. Use of coal by the electricity production sector was responsible of 71% of total CO2 emissions from the sector.

One of the positive elements the CPA brought to the environmental policy was encouraging non-federal action in clean energy policy. On the other hand the CPA strengthened the energy transition already undertook by the sector in the country, where new wind and solar power plants were added to the energy mix. In 2017 10% of total energy consumed by the country came from renewable sources (hydro, biomass, biofuels, wind, solar and geothermal). Fossil fuels accounted to 81% of the total energy consumed in the country and 9% came from nuclear power plants.

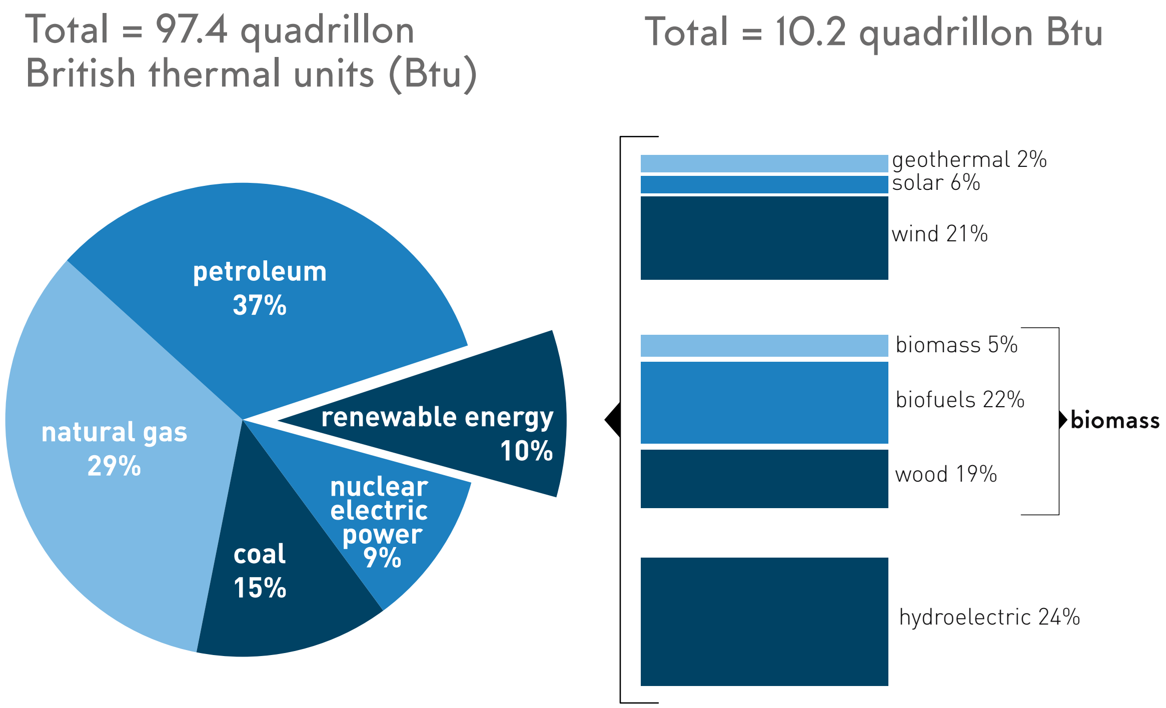


Graphic 2: US Emissions under 2020 and 2025 targets

Source: http://www4.unfccc.int/ndcregistry/PublishedDocuments/United%20States%20of%20America%20First/U.S.A.%20First%20NDC%20Submission.pdf

Additionally, the Trump administration announced its intention to roll back more than 20 environmental regulations. Some have been revoked completely while others only partially. The deregulating environmental agenda has included decisions that include limiting toxic

U.S. energy consumption by energy source, 2016



Note: Sum of components may not equal 100% because of independent rounding.

Source: U.S. Energy Information Administration, Monthly Energy Review, Table 1.3 and 10.1, April 2017, preliminary data.

Graphic 3: US energy consumption by energy source, 2016

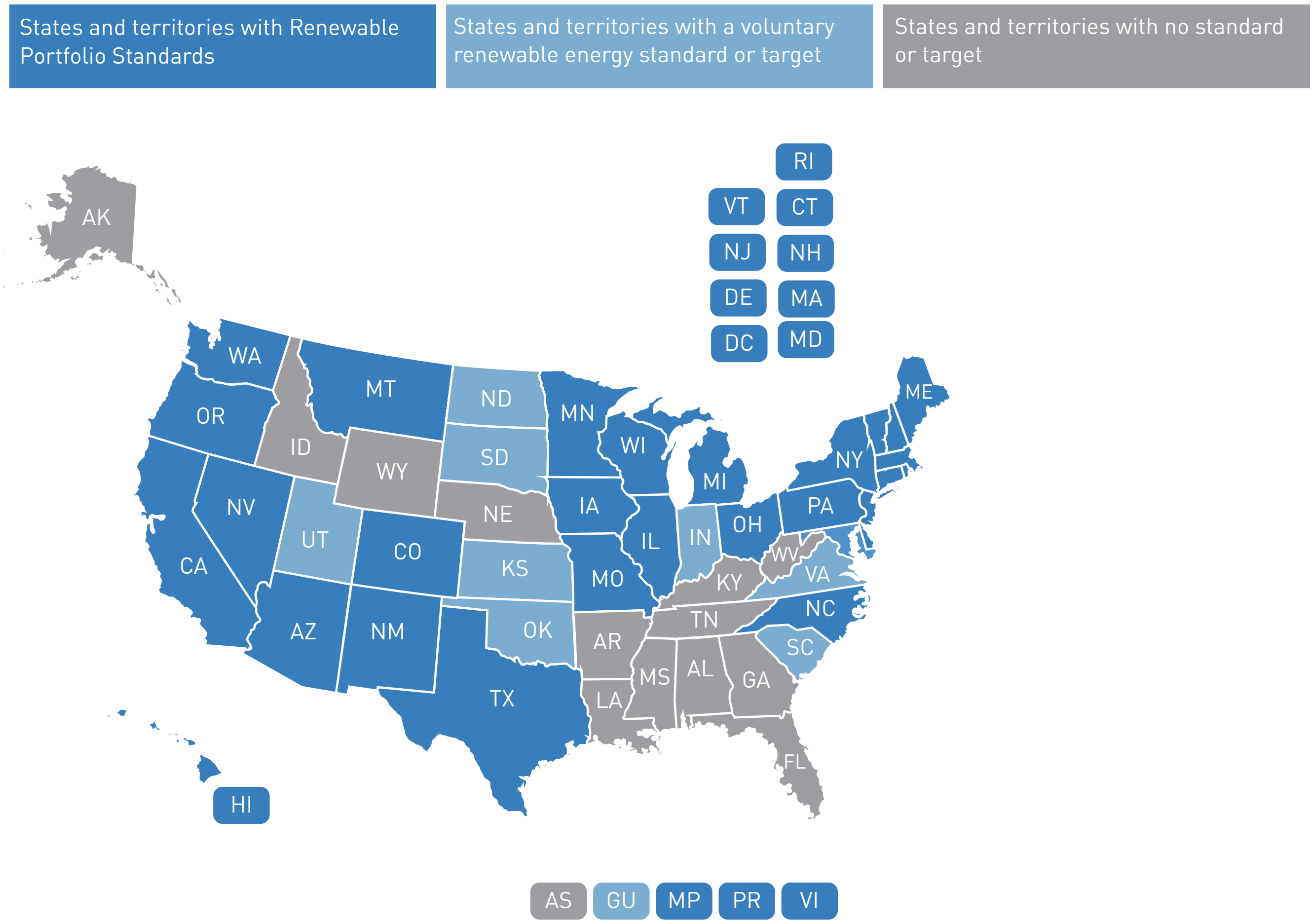
emissions by the industry, limiting emissions reduction by power plants and requiring safety assessments for potentially toxic chemicals. All these decisions have had negative impacts on public health and environmental protection. Other decisions, such as the one to repeal the Federal Flood Risk Management Standard, had terrible impacts in thousands of peoples' lives after Harvey Hurricane hit Texas[2]. Those rules were developed by the former administration to help the country prepare for flooding as it becomes more frequent in some places largely due to climate change.

Also in the energy field the current USA administration is planning to subsidize coal and nuclear power plants[3] by forcing electricity-grid operators to buy energy from unprofitable plants, claiming national energy security needs.

The deregulation of the environmental agenda soon reached the administration level. By the beginning of his mandate, Trump dramatically cut the Environmental Agency Administration (EPA)'s budget and announced the closure of the climate change programme.

2 See more information about it: (https://www.architectmagazine.com/practice/days-before-hurricane-harvey-hit-texas-trump-repealed-flood-planning-rules, s.f.)

3 See more information here: (https://www.economist.com/graphic-detail/2018/06/06/donald-trump-hopes-to-save-americas-failing-coal-fired-power-plants, s.f.)



Graphic 4: USA States with renewable energy policies
Source: State renewable portfolio standards and goal, National Conference of States Legislatures, 2018

The reaction by non-federal actors

Despite the above difficulties, the current USA administration is creating progress on environmental protection and green economy development, a momentum for further action on climate change. This momentum is led by states, cities and to some extent the business community that are showing their leadership and commitment to tackle climate change and reduce GHG emission in opposition to the Trump administration.

In total, twenty states plus the District of Columbia have adopted specific greenhouse gas reduction targets to address climate change, including carbon pricing, emission limits, energy efficiency mandates and incentives, and steps to promote cleaner transportation.[4] California is one of the states that has shown the strongest ambition and commitment.

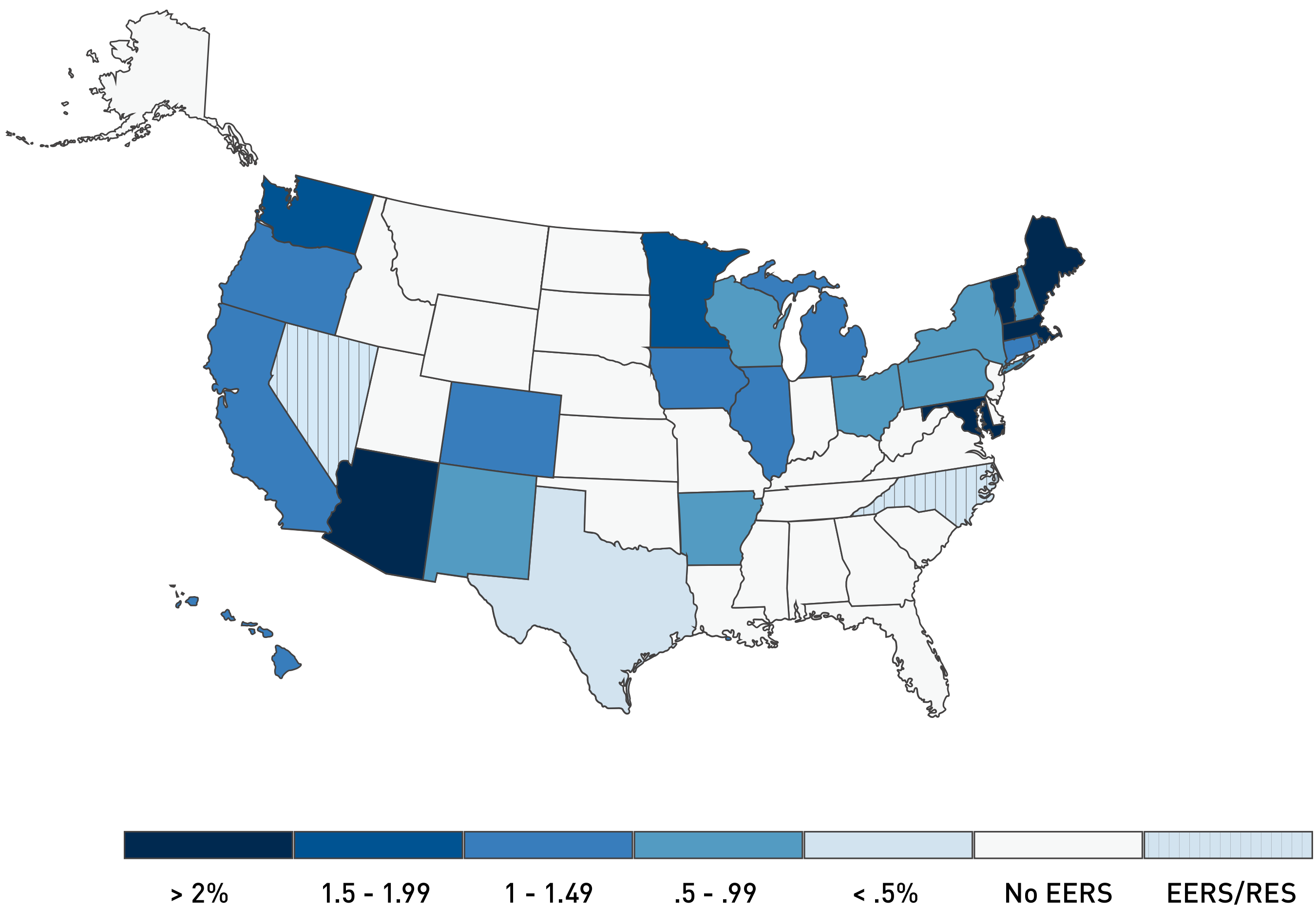
One of the sectors that has grown most over the last years is the renewable energy sector. A large number of states have adopted renewable energy development policies, known as Renewable Portfolio Standards (RPS),[5] as seen in the following map.

4 See more: (https://www.c2es.org/content/state-climate-policy/, s.f.)

5 RPS require utilities to ensure that a percentage, or a specified amount, of the electricity they sell comes from renewable resources

Reasons from states to adopt RPS ranges from the need to diversify their energy resources to the interest to promote domestic energy production to encourage economic development. These policies have helped drive a USD 40 billion market for wind, solar and other renewable energy sources. Energy efficiency resource standards (EERS)[6] are growing along the country and more than 25 States have one in place. EERS apply to electric or natural gas utilities, or both.

Energy efficiency resource standards by state
arranged by approximate annual alectric savings target (2014-2020)



Graphic 5: US States with energy efficiency standards
Source: Energy Efficiency Resource Standard (EERS), American Council for Energy Efficiency Economy (https://aceee.org/topics/energy-efficiency-resource-standard-eers, s.f.)
See more information: (http://www.ncsl.org/research/energy/renewable-portfolio-standards.aspx, s.f.)

6 EERS establishes specific, long-term targets for energy savings that utilities or non-utility program administrators must meet through customer energy efficiency programs

Other non-federal actors that have joined the fight against climate change are cities and the business community. In the USA and according to research by Boston University, two-thirds of mayors agreed that cities should play a role in reducing the effects of climate change, even if it means making fiscal sacrifices.

In terms of cities, in the USA, 153 cities have joined the Global Covenant of Mayors for climate and energy. New York is leading the agenda, adopting very strong GHG emission reduction and taking other inspiring decisions. Decisions taken at the city level include: reducing the number of vehicles on the road, making city assets, such as buildings and vehicles, more energy-efficient, shifting toward renewable energy sources, promoting energy efficiency in private buildings and increasing climate resilience of cities by reducing risks of flooding damage.

The business community has also shown its support of the Paris Agreement at the time President Trump announced his intention to withdraw from the Accord. They were very clear in their demand of stronger climate commitment to the USA government[7]. They see climate change action as an opportunity for sustainable development and economic growth in green sectors that in turn will create new jobs opportunities and will reduce business risks.

The environmental situation in the EU

The EU has developed an important climate change and energy agenda over the last few years. In 1997, the Kyoto Protocol was ratified and the EU agreed to reduce its emission by 8% as a whole by 2012. In order to implement the KP the EU developed a range of climate and energy regulation package. The objectives of the KP were surpassed and emissions were reduced by 18% since 1990. The new emission reduction commitment by the EU was a 30% reduction by 2020. The EU is on track to meet its 2020 objective.

In 2014, the EU agreed on new climate and energy targets to be achieved by 2030[8].

The specific objectives are as follows:

- 40% cut in greenhouse gas emissions compared to 1990 levels
- At least a 27% share of renewable energy consumption
- At least 27% energy savings compared with the business-as-usual scenario.

NGO and others claimed these objectives were well below the capacity of the EU to undertake mitigation measures. They warned that lack of climate change ambition would lead the EU to lose their leadership role in renewable energies and other clean technologies; would give little certainty to Europe's clean tech sector; and would leave European consumers more exposed to rising fossil fuel prices[9]. They have recently joined forces together with the business community and have demanded stronger climate change action to the EU[10].

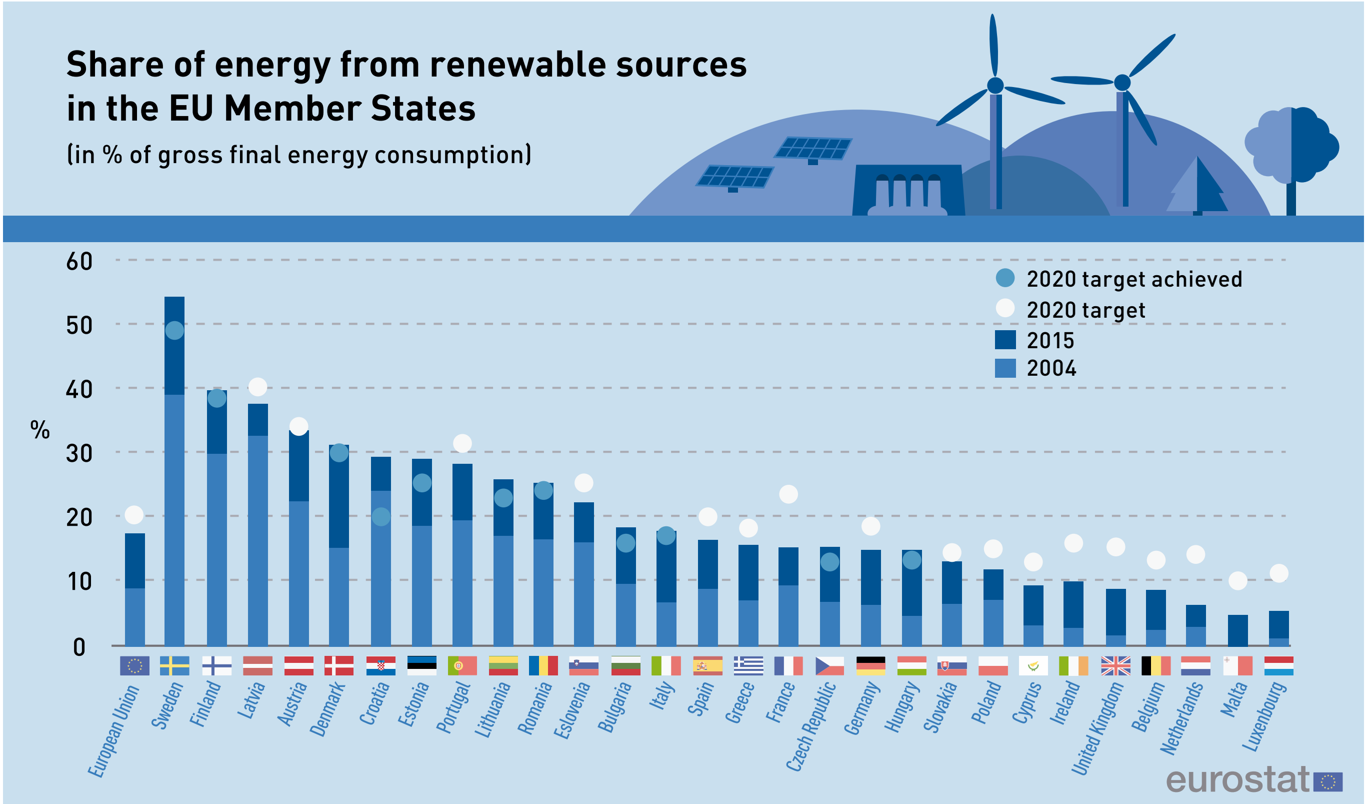
These are common objectives that will be fulfilled by the EU as a whole. Commitments by each European country will differ according to different criteria. All EU countries are working on their NDC (Nationally Determined Contribution) as part of the Paris Agreement's commitments.

7 (https://www.cnbc.com/2017/06/01/auto-industry-titans-say-theyre-still-committed-to-cutting-emissions.html, s.f.)
See open letter written by more than twenty-five companies to the Trump President including Apple, Facebook, Google and Microsoft: https://www.c2es.org/content/business-support-for-the-paris-agreement/

8 See more: (https://ec.europa.eu/clima/policies/strategies/2030_en, s.f.)

9 (https://www.theguardian.com/environment/blog/2014/jan/22/eu-energy-and-climate-targets-live, s.f.)

10 See more information: (https://www.euractiv.com/section/energy/news/businesses-ngos-make-joint-plea-for-higher-eu-ambition-on-climate-change/, s.f.)



Graphic 6: Share of energy from renewable sources in the EU Member States

In order to meet these targets, the EU has committed to work on its climate change and energy policy. By 2030 the EU committed to reform the EU emissions trading scheme (ETS) and to implement its European Energy Union Strategy (EEUS). The EEUS is a new governance system based on national plans for competitive, secure, and sustainable energy, enhanced policy coherence and improved coordination across the EU, diversification of supply, and interconnection capacity between EU countries. One of the main objectives of the EEUS is related with the interconnection of all European electricity markets to facilitate management of renewable energy production and better efficiency of the energy market itself.

An important part of the funds linked to the EEUS are devoted to extend the natural gas infrastructure of the European Union.

Over the last years the European Union has supported the installation of new renewable energies power plants. As a result of the different renewable energy policies the region in 2015 produced about 17% of the gross final energy consumption with clean energy, already close to the 2020 target of 20%. Sweden, Finland, Denmark, Italy and Hungary are among the countries that have already reached their 2020 targets, while Spain, France, Germany and the United Kingdom are among the ones that need to increase renewable energy production to reach 2020 targets.

Non-state actors' action on climate change in the EU

Cities have been active actors in the climate change policies and decisions within the EU. Cities are responsible for about 70% of GHG emission, thus climate change action taken by cities is key and are major players in the climate change discussion. Despite this importance,

	Employment (direct and indirect jobs)		Turnover (in M€)	
	2014	**2015**	**2014**	**2015**
Germany	38300	31600	3700	3000
United Kingdom	16100	16900	3180	3410
France	17000	16150	3920	4440
Italy	10000	12500	2340	2500
Netherlands	5500	7000	500	660
Spain	6500	6500	300	350
Austria	3600	3400	580	615
Belgium	3400	3400	250	180
Denmark	850	2500	70	250
Greece	2000	1900	75	65
Czech Republic	1500	1700	40	60
Romania	4000	1300	450	70
Poland	350	1100	40	80
Hungary	500	900	70	85
Portugal	1800	750	200	60
Sweden	700	750	80	90
Bulgaria	750	700	25	20
Slovakia	400	400	15	15
Malta	400	300	40	25
Slovenia	500	300	20	10
Croatia	200	150	25	15
Luxemburg	250	150	25	25
Cyprus	200	100	50	10
Lithuania	<50	100	<5	10
Estonia	0	<50	<5	<5
Finland	100	<50	<5	<5
Ireland	<50	<50	<5	<5
Latvia	<50	<50	0	0
Total EU	**115050**	**110750**	**16015**	**16060**

Source:EurObserv'ER 2016

Paris Agreements signatories are national governments and local government only participate as observers at the negotiations.

The Covenant of Mayors (CoM) on climate and energy brings together thousands of local and regional authorities voluntarily committed to implementing EU climate and energy objectives on their territory. In the EU there are 7,607 signatories that represent 237,688,626 inhabitants.

Signatories of the CoM pledge to reduce CO_2 emissions by at least 40% by 2030 and to adopt an integrated approach to tackling mitigation and adaptation to climate change.

Employment creation of climate action

Nearly 1 million Americans are working near- or full-time in the energy efficiency, solar, wind, and alternative vehicles sectors. This is almost five times the current employment in the fossil fuel electric industry, which includes coal, gas, and oil workers. If part-time workers are added,[11] the number jumps to nearly three million Americans working in part or in full for the energy efficiency, solar, and wind sectors. That's 14 times the current employment in the fossil fuel electric industry.

In the EU, the renewable energy work force in 2015 was 1,139 million jobs throughout the EU for ten clean energy technologies. That means a growth of 10 000 jobs compared to 2014[12]. The combined turnover of 10 renewable energy sectors in all 28 EU member states reached € 153 billion in 2015 and thus slightly grew compared to 2014 (€ 148.7 billion).

Additionally, energy efficiency employs nearly 1 million in the EU[13]. Sectors where these jobs are created include supply of goods and services for which the main motivation for purchase by the customer is to save energy.

The trade union movement both in the EU and the USA has in general supported the green economy as they see it as an engine of new job creation. Union organizations in high emitting sectors (coal mining and electricity sectors) have raised their concerns about negative job impacts of the clean energy transition. In both parts of the world they are concerned about the quality of jobs in clean sectors, especially related to the level of unionization that tends to be low in comparison with other companies, due to the fact they are new sectors and workers are not always aware of the value of joining a union. That is one of the reasons why the trade union movements have been calling for a just transition towards a low carbon economy that would ensure jobs opportunities, training for new skills and access to social protection programmes for those whose jobs might be at risk as a result of this transition[14].

Steel workers unions in both the EU and the USA have dialogued to strengthen unionization within renewable European companies investing in the USA.

11 Such as a construction worker who doesn't spend all his or her work hours installing energy efficient components like high-efficiency windows. See (https://www.nrdc.org/experts/lara-ettenson/us-clean-energy-jobs-surpass-fossil-fuel-employment, s.f.)

12 (https://www.eurobserv-er.org/pdf/press/2016/EurObservER-Press-Release-Annual-Overview-2016-EN.pdf)

13 (htt15)

14 See for example the position of the European Trade Union Confederation (ETUC) on just transition: (https://www.etuc.org/en/pressrelease/involving-trade-unions-climate-action-build-just-transition, s.f.)

Cooperation between the USA and EU options

Areas of potential cooperation on climate change and environmental agenda between the EU and the USA include:

- Strengthening relations between the USA and the EU at the state level (California and New York States for example), particularly in the framework with the European Emission Trading System (ETS).

- Working with multinationals that operate both in the USA and in the EU, pushing them to take stronger climate change action.

- NGO actors and trade union collaboration and strengthening solidarity among organizations and demanding strong climate action by both administrations.

- Strengthening alliances between EU and USA trade union movements in the green economy and climate change agenda to improve working conditions and level of unionization within the environmentally friendly sectors.

CHAPTER III:

NEW TRENDS IN COMMUNICATION, FAKE NEWS AND THEIR POLITICAL IMPACTS

Cristina Manzano

While by no means new, the term *fake news* has become popular over the last few years largely thanks to Donald Trump and his bursting onto the global media stage, first as a candidate and then as President of the United States.

His "fondness" for distorting reality and, especially, for accusing others of doing so (including his country's most prestigious and reputable media outlets) has afforded the idea global relevance in a very short space of time. Also at a dizzying pace, the very concept of fake news, the analysis of its various origins, the tracking of its motives and the scope of its impact have morphed radically.

In an environment of degeneration of the political game, be it real or perceived, ever more players appear to display a flagrant contempt for the truth, for facts and for data. Characters such as Nigel Farage, Marine Le Pen or Carles Puigdemont, on the European side, have accompanied Donald Trump in this spiral into the indiscriminate use of falsehoods in their daily activity.

We now know that fake news travel faster and further than accurate stories, amplified ever increasingly by the strength of social media.[15]

There was a moment when the realisation of that phenomenon led to the proliferation of fabricated stories with a fundamentally commercial end. The more a story spread, the more income it generated. That, for example, is how Veles, a small town in Macedonia, became famous after some of its wilier inhabitants struck a rich vein there.[16]

However, the most significant, and alarming, aspect of fake news is the impact of its fabrication and dissemination for the purpose of interfering in the political debate of third countries, particularly on social media but also through established media outlets, and the resulting consequences.
Russia has emerged as a key player in this field, where it is not easy to determine origins or lay responsibility,

15 (https://www.theatlantic.com/technology/archive/2018/03/largest-study-ever-fake-news-mit-twitter/555104/?utm_source=pocket&utm_medium=email&utm_campaign=pockethits, s.f.)

16 (https://www.wired.com/2017/02/veles-macedonia-fake-news/, s.f.)

with multiple indications that point to its intervention in processes such as the US presidential election campaign, the Catalan conflict or the Brexit referendum, to name just a few examples.

That intervention usually contains two basic features:

- a strategy to divide/create chaos/support a certain candidate;
- the massive use of machines or robots (bots) that amplify the reach of the action exponentially.

A lot has been said over the last few years about this phenomenon in particular, in all its ramifications, from the role that information, or rather disinformation, plays in Russian foreign strategy – though not only that of Russia – to the various initiatives to counter it. Considering its consequences, below are some of the more prominent when it comes to influencing the political game and their capacity to erode democracy.

One of the first casualties of fake news has been and is trust. Its proliferation is undoubtedly helping to undermine confidence in the system: in politicians, in the institutions, in the media.

The case of the media is particularly significant, given their role as creators and disseminators of information. The proliferation of fake news and the constant attacks by President Trump have contributed to their loss of credibility in the eyes of a part of society. What's more, this process is taking place amid the industry's worst ever crisis, with the challenge of a business model transformation, moving from an analogical environment to a primarily digital one, and the "threat" of social media as a substitute for traditional sources of information.

According to the 2018 Edelman Trust Barometer[17], the global population's trust in the media stands at a lowly 43%. In the United States, the figures reveal a clear division according to the political spectrum. While the average in the country fell from 47% to 42% over the last year, among voters of Donald Trump it stood at a meagre 27%. Among Democrat voters the figure came to 61%.[18]

However, some of the most influential and prestigious media outlets have hoisted the flag of "resistance" and champion journalism as a pillar of the democratic system, which is allowing them to recoup some of the lost ground in economic terms and in terms of credibility. In August 2018, 300 newspapers in the United States came together to publish editorials in defence of freedom of speech and the role of journalism, in which they denounced the constant attacks by the President, who has gone as far as to describe the media as an "enemy of the American people".

Another effect of fake news is its contribution to generating "noise", noise that diverts attention away from matters that should be more pressing or take priority.

To give just a couple of examples, during the US Senate sessions on the impact of Russian interference it was revealed that nearly half the population – 146 million people – had received messages on Facebook and Instagram containing propaganda or disinformation.[19]

Meanwhile, the various investigations into the matter do nothing but uncover dizzying numbers of messages on Twitter produced by machines and retweeted over and

17 https://www.theatlantic.com/technology/archive/2018/03/largest-study-ever-fake-news-mit-twitter/555104/?utm_source=pocket&utm_medium=email&utm_campaign=pockethits, s.f.

18 (https://cms.edelman.com/sites/default/files/2018-01/2018%20Edelman%20Trust%20Barometer%20Global%20Report.pdf, s.f.)

19 (https://eu.usatoday.com/story/tech/2017/11/01/facebook-says-146-million-americans-targeted-russia-campaign/821306001/, s.f.)

over with the proven purpose, in this case, of harming Hillary Clinton's candidacy.

Fake news not only draws attention away from more important issues; it creates a new conversation around it. It becomes news itself, generating a vicious circle of disinformation. It helps to ensure that neither the public nor politicians pay attention to what really matters, which means that people increasingly perceive that the political class does not pursue the general interest, but only its own.

Moreover, fake news increases the sensation – real or perceived – that the system and society are vulnerable – to interference, attacks, hacking, and so on –, which in turn fosters fear, which in turn fosters populism.

That sensation of vulnerability, for example, led the Dutch government to decide to return to counting votes by hand [20]and ditching electronics in the last general elections in the face of "Russia's interest" in the process.[21]

These are just some of the factors with which fake news is helping to exacerbate a much more worrying problem: the decline in democracy.

One controversial article from 2016[22] said that over two-thirds of US millennials did not consider it essential to live in a country that is governed democratically. Moreover, in 1996, only one in 16 Americans thought that it would be good for the military to rule the country. In 2014, one in six did.[23]

20 https://elpais.com/internacional/2017/02/02/actualidad/1486035239_541475.html" Dutch government to decide to return to counting votes by hand

21 https://elpais.com/internacional/2017/02/02/actualidad/1486035239_541475.html

22 https://www.journalofdemocracy.org/article/danger-deconsolidation-democratic-disconnect" One controversial article from 2016

23 (Y., 2016)

More and more studies and surveys appear to confirm the trend, which is also disputed by other sources. Despite the lack of consensus, one can certainly see an increase in support for more authoritarian types of government or leader profiles, which often goes hand-in-hand with the loss of faith in the institutions mentioned earlier.

In the wake of the shock of the scope and depth of the impact of fake news, numerous initiatives have arisen to counter it, from all spheres.

As mentioned previously, numerous media outlets are working on recovering their roles as "watchdogs" of political current affairs. Fact-checking teams in newsrooms have been created or reinforced with a view to refuting false assertions, helped by technology to a large extent too. Investigative teams and programmes have been revived, where funds have allowed. This is happening particularly in the United States, where the attacks by President Trump have generated a sense of urgency, but the phenomenon is also present in the European media scene.

The institutions have reacted too. In January 2018, the European Commission convened a group of experts to counter fake news and disinformation. The result was a report[24] that will guide EU policy in the field. In turn, the Union is working to establish a code of good practice with the collaboration of digital platforms, the main social media outlets and the advertising sector.

Moreover, the scrutiny to which social media are being subjected by the institutions – recall the appearances by Mark Zuckerberg, the founder of Facebook, before the US Congress or the European Parliament –, combined with greater social pressure, is prompting the companies themselves to seek ways of preventing the proliferation of fake news. Recently, for instance, Twitter announced that

24 https://ec.europa.eu/digital-single-market/en/news/final-report-high-level-expert-group-fake-news-and-online-disinformation

it had deleted 70 million fake accounts in two months.

Along with the institutions and the companies, it would be more than desirable for politicians to recover the commitment to the truth. One thing is the political game and debate, even election promises; flagrant lying as a constant tool is quite another.

Yet there is no doubt that the other side of the coin is the public; a responsible public that goes back to demanding that its representatives carry out their programmes and do not distort reality constantly – a responsibility that should extend to the use of information. Today more than ever, it is necessary to seek critical thought, based on easy access to multiple sources of information and which allows one to spot manipulation. Against the echo chamber effect that social media encourage, it is fundamental to contrast facts and opinions.[25]

There is evidence, in fact, that indicates that this is already happening and that fake news is helping to change the patterns of consumption of information. Distrust is leading to a greater awareness on the part of users. In the United States, a poll carried out in autumn 2017 revealed that 51% of respondents said that they were more careful when it came to choosing where they get their news and that they were fact-checking and verifying sources and data more than before.[26]

It is often said that truth is the first casualty of any conflict, all the more so when we appear to be in the middle of an information war. Yet in this environment too the democratic system has all the weapons to demonstrate its resilience and engage the whole of society in the struggle against fake news.

25 https://www.esglobal.org/la-democracia-nos-necesita-evitar-las-noticias-falsas

26 https://www.edelman.com/p/6-a-m/fake-news-neutron-bomb-explodes

CHAPTER IV:

EVOLUTION OF THE USE OF SPANISH IN THE PRESIDENTIAL CAMPAIGNS OF THE UNITED STATES

Daniel Ureña

The use of Spanish in the presidential campaigns of the United States dates back to 1960, during John F. Kennedy's campaign against Vice-President Richard Nixon. Jackie Kennedy[27], the Democratic senator's wife, starred in a TV ad in which she spoke in Spanish to ask the public to vote for her husband, describing him as the leader the United States needed to meet the challenges facing the country.

Eight years later, President Lyndon B. Johnson introduced Hispanic Heritage Week, which gave official recognition to the Hispanic population's contribution to the culture and history of the United States. Twenty years after that, in 1988, President Ronald Reagan extended the week to a month. Hispanic Heritage Month is held every 15 September to 15 October, taking in Hispanic Day or Columbus Day. Since then, every President and all the country's public institutions have devoted this month to staging various educational, academic and cultural events relating to Hispanic heritage.

By then, in 1980, the Hispanic community already accounted for nearly 5% of the electorate and numbered over 14 million people. Both the Democrats' presidential candidate – Jimmy Carter – and the Republican contender – Ronald Reagan – were aware of the potential that this bloc of voters would develop, to the extent that Reagan, who would come out on top in 1980, is attributed with the following quote: "Hispanics are Republicans. They just don't know it yet." While Reagan failed to secure the majority of the Hispanic vote on a national level (Carter polled nearly 61%), he did win 80% of the Hispanic vote in the key state of Florida.

In 1984, Reagan's campaign team, who was increasingly aware of the growing importance of the Hispanic vote, drew up a strategic document called the *"Hispanic Victory Initiative: A Proposed Strategy for the Reagan-Bush ´84 Hispanic Campaign".* The 60-page document concluded that in order to win over Hispanics in English it was necessary to convince them in Spanish. And that is what they did. Lionel Sosa, one of the first Hispanics to form part of the team of a presidential candidate's closest advisers, played a decisive role in drawing up those campaign proposals.

27 (The Living Room Candidate. Presidential Campaign Commercials 1952-2016. Jackie Kennedy)

In the presidential election that pitted George H. W. Bush against Michael Dukakis in 1988, there was no let-up in the candidates' interest in the Hispanic vote. The minority continued to grow apace, particularly in southern states such as Texas, Florida or California, and the experts continued to anticipate steady growth of the Hispanic population in the medium and long term. Bush's team launched the campaign "Hispanics for Bush" and even aired four ads in Spanish that, as well as using the traditional English-language media, were broadcast on the first mass media outlets aimed at the Hispanic audience, securing greater dissemination and reception on the part of Hispanic voters.

Michael Dukakis, the Democrat candidate, who in spite of being the son of Greek immigrants was reasonably fluent in Spanish[28], also allocated part of his campaign budget to the production of election videos in Spanish. However, the investment in their dissemination was not on a par with the production values and it was all because the Dukakis campaign team fell into a common electoral trap among the Democrats: assuming that Hispanics will vote Democrat out of habit.

In the early ´90s, the Hispanic population amounted to 22.6 million inhabitants and was no longer concentrated exclusively in the southern states. Cities such as Chicago and New York saw their Hispanic communities grow at a quicker pace than the rest of the minorities. The interest of the political class, both Republicans and Democrats, continued to grow as the Hispanic population became an important ally to factor into electoral calculations.

In the 1992 presidential election, the Hispanic vote appeared on the candidates' agendas as one of the keys to reaching the White House. George H. W. Bush and his campaign team were aware of it and that is why they spent millions of dollars on the production and broadcast of election videos pitched directly at the Hispanic electorate in crucial states such as Illinois, Colorado and New Mexico. Bill Clinton's campaign team, meanwhile, allocated funding to just one election commercial, the airing of which was to focus on New York State. However, Clinton's election narrative also rested on the support of prominent and respected members of the Hispanic community such as Henry Cisneros, who was mayor of San Antonio (Texas) at the time. For his part, George H. W. Bush chose to show pride in his strong Hispanic family ties, since his son Jeb Bush is married to Columba Bush, who is of Mexican descent.

In the 1996 campaign, Bill Clinton did not want to tempt fate and allocated over 1 million dollars to the production and broadcasting of election ads in Spanish. They aired in states with a major Hispanic presence, such as New York, Arizona and Nevada. The Clinton campaign also introduced into candidate debates issues of particular interest and concern for Hispanic families, such as unity and immigration, while levelling fierce criticism at Bob Dole, his Republican opponent, for having held positions against education in English and Spanish, as well as against inclusive immigration laws for Hispanic communities.

The beginning of the 21st century brought a closely contested presidential election between the candidates George W. Bush and Al Gore, the Vice-President during the Clinton administration. In those elections both campaign teams were very aware of the importance of the Hispanic vote, and with the help of the Republican and Democratic National Committees, they made major efforts in both the production and dissemination of election ads[29] aimed at the Hispanic community. George W. Bush won 35% of the Hispanic vote, which proved an enormous help to him in securing a very close final victory.

However, the 2004 election pitting Bush against Democrat

28 (The Living Room Candidate. Presidential Campaign Commercials 1952-2016. Bio (Spanish))

29 (Ads in Spanish in the presidential elections of 2000)

candidate John Kerry marked the biggest Republican success among the Hispanic community. With a message based on the need for unity and strength under the leadership of the President 'who stood up to the terrorist threat of the 9/11 attacks', the Bush campaign secured the best ever result for a Republican candidate among the Hispanic community: over 40% of registered Hispanic voters backed a Bush re-election.

This was one of the elections with most commercials in Spanish, also on the Democrats' side, who normally assumed that Hispanics would vote for their candidates out of habit. And it was not only among the presidential candidates: Howard Dean aired an election ad in Spanish[30] during the Democratic primaries, which demonstrated the huge importance of the Hispanic electorate even in the process of choosing a presidential candidate. Meanwhile, the presidential candidates themselves broadcast 46 ads in Spanish[31] all told, the highest ever figure at the time, amounting to an outlay of 6 million dollars (2.6 million in the Kerry campaign and 3.4 million in the Bush campaign).

In 2008, Hispanics were close to representing 12% of the electorate in the United States. Nevertheless, the number of messages and campaign ads in Spanish went down slightly. Together, Barack Obama and John McCain aired just over 20 elections ads in Spanish or aimed specifically at the Hispanic audience[32]. Obama won the support of 67% of the Hispanic vote. McCain managed to top the figure of 30%, but it proved insufficient in the face of his adversary.

Republican candidate Mitt Romney fell further behind in the presidential elections of 2012, in which he only received the support of 27% of Hispanic voters. Obama, meanwhile, succeeded not only in increasing his Hispanic vote: he also reached one of the highest percentages for a Democratic candidate. Nearly three out of four Hispanic voters had his name on their ballot paper (71%).

The year 2012 was also a significant one for the Spanish language and the Hispanic community, because it was the first time that a Hispanic, Julián Castro[33], mayor of San Antonio (Texas) at the time, delivered the keynote address at the Democratic National Convention. The Obama campaign made a major effort to reach out to the Hispanic community, the majority of which voted for him once again.

The presidential campaign of 2016, which saw Donald Trump face Hillary Clinton, will be remembered because the Hispanic population was at the centre of the debate due to the controversial statements of the Republican Party candidate. For the first time in many years, the Republican campaign dropped the use of Spanish, whereas Hillary Clinton's campaign did not, though victory finally went to Donald Trump. His triumph signalled the start of a difficult period for the Hispanic community, which is still ongoing and is embodied in controversial political decisions against immigration from the Trump administration that continue to influence the political agenda.

However, there can be no doubt about the importance and rise of the Hispanic community in the present and future of the United States. In 2050, the United States will be second only to Mexico in terms of the number of Spanish speakers. Understanding the United States in the coming decades without taking into account Spanish or the Hispanic community will be an impossible task, since Hispanics are and will be key players in the country's political future.

30 (Howard Dean for President 2004 Ad in Spanish)

31 (Political Communication Lab - Stanford University. General election ads: Bush vs. Kerry)

32 (Political Communication Lab - Stanford University. Presidential General Election Ads: Obama vs. McCain)

33 (CNN Politics - Rising star in Democratic Party first Latino to deliver keynote address)

CHAPTER V:

REPUBLICANS AND DEMOCRATS - CRISIS, A REALIGNMENT OR JUST THE RUN OF THE MILL IN-PARTY BATTLES?

Alana Moceri

The title that was originally given to me for this talk and subsequent article was 'The crisis of the traditional parties and bi-partisanship in the United States,' which prompted me to start with a couple of caveats that bear repeating before diving into the topic at hand. The first, is that the term 'bi-partisanship' has a different connotation in English than the Spanish 'bipartidismo.' The former, is generally seen as healthy collaboration between Democrats and Republicans, who, in their best form, are able to find common ground to make policy. We can contrast this with the suspicion with which Spaniards view the bipartisanship of two parties dominating the system to the exclusion of others.

This, of course, is a product of the second caveat, that the U.S. is a presidential system, with single member districts and a plurality voting system which favors two parties. Compare this to Spain, which has parliamentary system that normally allows for multiple parties, but was controlled by two for several decades, and it's easy to understand how bi-partisanship earned its negative meaning. Yet, while Spain has indeed experienced the emergence of new parties that challenge the traditional ones, this is not something that can be reasonably hoped for in the U.S. because, again, its system of government doesn't make that reasonably possible.

American political parties—the Democrats and the Republicans—are often referred to as 'big tent parties' with good reason. By design they must bring together enormous and diverse swaths of the population. One way to look at it is that the American political parties build their coalitions before the elections and political parties in parliamentary systems like Spain, build coalitions after the elections have taken place.

At the same time, the parties also have a much narrower focus than their Spanish counterparts because their purpose is to identify, recruit, train and elect candidates. There is some ideological consistency among these candidates but, compared with the top-down party structures of parliamentary systems, American candidates are both literally and figuratively, all over the map. A conservative Democrat might occupy a Senate seat for a mostly Republican state or a moderate Republican might represent a district that has slightly more Democrats. There is no so-called party discipline—something that you might remember from watching early episodes of House of Cards, when Frank Underwood was the Democratic Party Whip counting votes in the House of Representatives. Party leadership may pressure and cajole members to vote their way, but ultimately, each Senate and House member does well to vote in such a way that their state or district re-elects them. Something the party just can't guarantee.

All that said, are the two major American political parties in crisis? Probably no more than they always are. Since by design, they serve as host to various fighting factions, there is always division. Quite a few analysts and political scientists have wondered if they are going through a realignment[34], something that is far from clear at this juncture. That said, there are fissures that are critical to understanding the dynamics of today's Democrats and Republicans. While it is indeed an oversimplification, both parties divide along the lines of an establishment and a more populist wing.

If you look at any Republican rally, whiteness is a striking feature, even more so since the U.S. has become markedly less white since 1997, according to data from Pew[35]. Back then, 83% of all voters were white and in 2017 that number was just 69%. But most of that diversity has gone to the Democrats, where in 1997, black, Asian, Hispanic and voters of other ethnicities made up 25% of their voters and that number rose to 41% in 2017. At the same time, they've become less white, with 75% whites in 1997 and 59% in 2017. The Republicans have become only slightly less white: in 1997, of those who leaned Republican, 92% were white, and in 2017, that number had only fallen to 83%.

The other striking feature of the two parties is the gender, education and age gaps that Pew data illustrates[36]. In 1994, 48% of women leaned Democratic compared to 39% of men. In 2017, that grew to 56% and 44% respectively. The change in education is more dramatic, with 45% of voters without a university education and 42% of those with one leaning Democratic in 1994. In 2017, 58% of their voters had a university education compared to 46% who didn't. Finally, age sets the two parties apart. 59% of the so-called 'millennial' generation (born 1981-1996) identifies as Democrats, compared to 48% of both 'generation Xers' (1965-1980) and 'baby boomers' (1946-1964) and only 43% of the 'silent generation' (before 1945).

So, while in very broad brushstrokes, Republicans are whiter, older, lesser educated and more male than Democrats, it's important to remember that plenty of voters don't tick all these boxes. That said, the current divisions among the Republicans are centered around the seismic policy shifts of Trump administration compared to more traditional Republican orthodoxy. At the same time, the diversity of the Democrats belies their general agreement on policy issues. Their disagreements have more to do with messaging on these issues and how far to the left they can and should take them.

Starting with the Republicans, the current populist vs. establishment fight is underpinned by a more complex set of ideological trends within the party. In early 2015, Fivethirtyeight came up with a useful set of Republican Party ideological trends[37] that the 2016 candidates fell into, and while this is still a simplification, it is helpful for gaining a general understanding: moderates, establishment, Christian conservatives, libertarians

34 https://www.vox.com/mischiefs-of-faction/2017/10/24/16524034/2016-realignment-midwest

35 http://www.people-press.org/2018/03/20/wide-gender-gap-growing-educational-divide-in-voters-party-identification/1_2-19/" according to data from Pew

36 http://www.people-press.org/2018/03/20/wide-gender-gap-growing-educational-divide-in-voters-party-identification/1_1-21/" Pew data illustrates

37 https://fivethirtyeight.com/features/romney-and-the-gops-five-ring-circus/" Fivethirtyeight came up with a useful set of Republican Party ideological trends

and the Tea Party republicans. Many leaders fall into two of these tendencies, such as Jeb Bush, who is both a moderate and establishment Republican, while Mitt Romney is square in the establishment group and Mike Pence falls in both the establishment and Christian conservative Republicans. Ted Cruz is, notably, a Tea Party republican while Rand Paul is a well known libertarian. While libertarians have their own party in the U.S., many prefer to run as Republicans, giving them a better shot at actually governing. This model conveniently left Trump out (as I did, as well, in an article for esglobal[38], published around the same time) and it's not easy to fit him into it.

Therefore, there is a raging debate among analysts and political scientists as to whether Trump is changing the party into his party or if it's simply coalescing behind him temporarily while he's president. This still won't be all that clear after the midterms and the real test will be in what happens to the party post-Trump. In the meantime, it is reasonable to expect Republicans to support their president even when they don't exactly agree with him on every detail. This is what parties do and the Republican Party is an especially loyal bunch.

What are the issues of contention? While Trump's politics may seem haphazard, he's had a pretty consistent world view that we can see on display in interviews going back to the late 1980s[39]. Where he clashes most with Republican orthodoxy is his views on trade and the institutions that make up the liberal world order. From trade deals like NAFTA to TPP, Trump believes that the rest of the world is taking advantage of the U.S. He feels the same when it comes to international organizations like NATO. While Obama, too, urged NATO members to work towards their commitment to military spending levels at 2% GDP, Trump has questioned the very basis of the organization and the mutual commitment of defense on which it is built. This was a shocking departure for many Republicans.

More so is his position on trade. The Republican Party has always been the party of free trade, much more so than the Democrats who have a complicated time on this issue arguing over worker protection. Free trade fits in nicely with the traditional low-tax and free market ideology of the establishment and moderates of the party as well as the Tea Party republicans and even the libertarians. It's also been discombobulating to see the president of the party of cold warriors cozy up to Vladimir Putin.

On the other side are the 'culture war' issues that have fired up Christian conservatives and especially the evangelicals who are the most faithful supporters of Trump[40]. Despite his past flirtation with and support of Democratic politicians and the leftish political leanings of his daughter Ivanka Trump and her husband Jared Kushner, he's been happy to embrace issues from immigration to black lives matter and NFL protests to Supreme Court picks in a way that many Democrats would describe as xenophobic, racist and sexist. Whether you use those words or not, his positions side with traditionalists who would like to restrict immigration, believe that white people are the subjects of 'reverse discrimination' and that the Supreme Court should restrict or ban the likes of abortion, marriage equality and other perceived special rights for special interest groups. This is the extreme end of the Republican Party, where these issues make the establishment, the moderates and especially the libertarians rather squeamish.

Immigration is a very tough issue for the Republican Party. Ideally, they would like to embrace Hispanic voters, many of whom identify as socially conservative,

38 https://www.esglobal.org/10-candidatos-republicanos-a-la-casa-blanca/" article for esglobal

39 https://www.esglobal.org/somos-america-imbecil/" pretty consistent world view that we can see on display in interviews going back to the late 1980s

40 https://www.esglobal.org/trump-gusta-los-blancos-evangelicos/" evangelicals who are the most faithful supporters of Trump

yet, at the same time, Republicans have been rejecting them in order to fire up certain groups of white voters. Many Republicans, especially those from states such as Texas, Arizona and California (think George W. Bush, John McCain and Arnold Schwarzenegger) understand that the party needs to bring these voters into the fold as they become a bigger and bigger part of the electorate but they can't do so while espousing reactionary views on immigration, the likes of which are why Republicans are nearly extinct in California.

Democrats pride themselves on being diverse and inclusive while Republicans accuse them of playing identity politics[41]. Attend any meeting of the party or just look at the bottom of its website[42] and you'll see how it breaks down into many groups or caucuses (17 in all, compared to 7 on the Republican Party website[43]) including but not limited to African Americans, Hispanics, LBGT Community and Women. It is indeed incumbent on any party to keep its base of voters happy and these subgroups work to micro-target outreach and messages to these voters. But this diversity makes coming up with a unifying message for the party deeply challenging when each subgroup is sharply focused on their own set of issues.

Further, the Democratic Party has in many state committees institutionalized their establishment vs. populist tensions through progressive caucuses across state committees, aligned with the Congressional Progressive Caucus and Bernie Sanders. This fight played out during the 2016 primary where establishment Democrats threw their support behind Hillary Clinton and the populists or progressives were with Sanders and there was little love lost between the two. Now that neither candidate went on the win the White House and neither becomes the 'leader of the opposition' like in a parliamentary system, the party is left to struggle over its direction.

At issue are questions such as healthcare, college tuition and the minimum wage. But the differences between the establishment and progressive Democrats around these issues are more a matter of style. Progressives chafe at the incrementalism of the establishment and the establishment scoffs at the progressives' lack of realism. Progressive Democrats are deeply unsatisfied with Obamacare and vow to bring about a universal healthcare program. Establishment Democrats want universal healthcare but see an incremental path towards it, noting that even President Obama wasn't able to get a medicare for all deal in which the healthcare program for people over 65 would be extended to the rest of the population. Sanders proposed free college tuition for all students. The Clinton campaign ran some numbers and proposed help with tuition for middle class and poor students.

Both of these big tent parties are always going to have divisions and factions but whether or not this moment can be called a crises or a realignment will take some time to prove or disprove. We will only be able to see how durable an imprint Trump has left on the Republican party once he's left or been voted out of the White House. The establishment-progressive battle will be decided in the 2020 primaries, but only have some lasting effects if that person goes on to win the White House and truly dominate the party for the following four years.

The 2018 midterms have given us some indication as to the mood of the electorate, but midterm electorates are vastly different—smaller, more activist—from those that come out to vote in presidential elections. American voters tend to vote in balance in these elections and it is typical that a party who controls the White House and both chambers of Congress, will lose either the House or

41 https://www.esglobal.org/trump-gusta-los-blancos-evangelicos/" evangelicals who are the most faithful supporters of Trump

42 https://www.democrats.org

43 https://www.gop.com

the Senate or both, such as in 2010, 2006 and 1994. As expected, Democrats took back control of the House of Representatives and on January 3, 2019, Representative Nancy Pelosi became not only the first women but one of very few people in history to regain the speakership.

That Pelosi handily dispatched a rebellious group of progressive Democrats to regaining the speakership is no small victory for establishment Democrats. Further, her midterm strategy was a winner: she urged Democratic candidates to stick to healthcare and taxes and don't let Trump set the agenda by chasing every crazy tweet or remark down a rabbit hole. It worked and she's back and is already wielding her check on Trump's power.

While many establishment Republicans, such as Representative Paul Ryan and Senators Bob Corker and Jeff Flake, retired, many of the candidates that Trump endorsed didn't win their general elections. Trump stuck to immigration and most particularly, the so-called caravan of migrants moving through Mexico to the great frustration of many Republicans who wanted to focus their campaigns, naturally, on the strong economy. Trump poo-pooed this idea as boring. More Republican division has been evident during the long government shut down and in Trump's change of strategy in Syria.

The 2018 midterm election marked the official start of the 2020 Democratic midterms where there may be as many as 30 candidates—establishment, progressive and outsiders—competing for the nomination. Perhaps the biggest question is whether Trump will have a serious primary challenge, and the names that most often come up are establishment guys such as Mitt Romney or Jeff Flake.

CHAPTER VI:

THE CRISIS OF MULTILATERALISM AND THE EUROPEAN RESPONSE

Vicente Palacio

One of the thorniest issues in the dispute between the Trump administration and the European Union is the question of multilateralism. The United States' gradual withdrawal from part of the commitments undertaken with the construction of the international liberal order after World War II has given rise to a serious crisis in the multilateral system – or rather, to be more precise, an aggravation of the problems already existing in the system.

In general terms, signs of exhaustion and of systemic crisis are a defining feature of the present time. We might say that an "old multilateralism" is in the process of being replaced by a "new bilateralism" where multilateral principles come second, also transforming their nature and composition. Between the two traditional pillars of the multilateral system – the United States and Europe – a divide has opened up concerning their vision of the world order. The rejection of multilateralism, as a new factor in the transatlantic equation, is associated with a rejection of Europe. The EU defines itself as a "normative power", a champion of "effective multilateralism". Yet from the United States – and from the heart of Europe – xenophobic rhetoric is arriving and praise is increasingly heaped on authoritarian regimes. In the first two years of his term, President Trump has gone as far as to describe Europe as a "competitor" and an "enemy", all the while applauding Brexit.

Multilateralism revisited

To be more precise, multilateralism refers to a series of global, regional, sub-regional institutions, forums, players, and dynamics (networks of institutions, regional and interregional forums) that act within the framework of international and humanitarian law. It is a system primarily based on rules. Collective action is basically structured around four areas: Economics, Security (missions, armed conflicts, humanitarian crises, or nuclear rules), Human Rights, and Sustainability.

For the last seven decades, multilateralism has been synonymous with inclusiveness – everyone could take part on an equal footing – and with reciprocity. It provided strength and served as the framework for a leadership. This system is supposed to be more effective and legitimate. It tackles problems better and may have a multiplier effect on the implementation of policies, unlike unilateralism. Multilateralism offered a "promise of convergence" between different positions and interests. In that respect, "effective multilateralism", a term coined by EU High Representative Javier Solana in his 2003 Security Strategy, was held as a European model until very recently.

An uncertain transition

However, "effective multilateralism" was never more than an aspiration, a great promise. In practice, it has not worked well enough. And the loss of effectiveness has resulted in a loss of legitimacy – for example, because of slowness to get results (the 'six-party talks' with North Korea), blockages (the use of veto power in the United Nations Security Council, or in the Human Rights Committee), or bad policies (International Monetary Fund adjustment programmes). In fact, what happened is that the promises of comprehensive reform of the international liberal order – that is to say, of the multilateral system – were not kept. The system has not worked well: it has not provided global economic coordination, fair and sustainable development, shared global security, human rights, or a sustainable natural environment.

Yet above all, the Trump administration believes that sustaining that multilateral system implies an excessive cost in terms of economic and human resources and it is therefore against its interests. In the United Nations General Assembly in September 2018, Trump rejected "globalism", championing "national sovereignty" instead. That has led to a withdrawal from the Human Rights Council, the International Criminal Court, a United Nations agency for refugees (UNRWA), and UNESCO, or the blocking of the appointment of judges at the World Trade Organisation (WTO). The situation has deteriorated owing to the start of an incipient trade war with those powers with which the United States has a trade deficit – chiefly with China (376 billion dollars in 2017) and the EU (146 billion dollars), with the Trump administration threatening with 25% tariffs on steel and 10% on aluminium or the introduction of import duties on German-made cars. All of this does not mean the end of the multilateral system, but it certainly will weaken it considerably.

As a result, we are losing a fundamental element of the system: mutual trust. The major global and regional powers are losing the incentive for joint action and are deciding to act on their own – in the case of the United States and Russia – or use multilateral rules and institutions to pursue their own benefit, as in the case of Russia and China. Against the backdrop of the trade war triggered with China and the EU, some fundamental pieces are falling apart. The United Nations, the G20, the WTO, or NATO appear to be resisting for the moment, but the big question is how long they will withstand that process of hollowing out.

The US withdrawal, or rather retreat, is also associated with an element that adds to the complexity, if not confusion. We are talking about the adoption on the part of the United States of anti-liberal stances on trade (protectionism) or political regimes (a discourse that is empathetic toward authoritarianism). We are seeing how alliances between major poles of power are formed based on diverse combinations of various elements – values, ideologies and sectorial interests – and the classic bipolarity around two traditional axes, liberal-democratic countries (postmodern, we might say) versus authoritarian countries (pro-sovereignty), is being broken. A constellation of authoritarian governments – or with a neo-authoritarian rhetoric at least – are consolidating in countries such as the United States, Russia, China, Brazil, Turkey, India, or the Philippines. Nearly three decades after the end of the Cold War, then, none of the strongest powers on earth has a government of an openly liberal-democratic bent in charge – Canada is an exception right now, as well as a part of Western Europe. That, in turn, gives rise to a complex landscape of confrontation, but also of possible new realignments full of unknowns: a Sino-Russian alliance (in energy) or a Russian-German one (gas), Russian-American (counterterrorism), or Sino-European (climate change and clean energies).

Multilateralism, transatlantic relations, "Eurolateralism"

The end of the transatlantic alliance as the backbone of the system also leads to the end of the old multilateral system. French President Emmanuel Macron's invocation of a "strong multilateralism" cannot hide the truth: the Trump administration is the tip of the iceberg of a deeper problem. Europe may be losing its main ally for an open international order, but it is fair to acknowledge that European inaction has a share of the responsibility in that.

Faced with that reality, what options remain open to the EU? There appear to be three possible routes. One route leads to renationalisation, to a regression in integration because of disagreements over the euro, or immigration, and a dispersion abroad. A second route is that of stagnation, which consists of maintaining Europe's current status quo, being on the defensive, dependent on the crossfire of others (United States-Russia-China) and barely exerting an influence. Finally, a third way is one we could call "Eurolateralism" and which is based on Macron's idea of a "European sovereignty". According to this approach, Europe would use all its economic and political weight to pressure for new rules and institutions and to reach agreements that were beneficial to its interests and values. It would not be about responding with a "Europe first" philosophy, but about leading a new proposal, a new multilateral system. Eurolateralism does not aspire to "isolate" the United States but to be able to move forward without its partner. It is possible to list some of the things that Eurolateralism means: comprehensive reform or boosting of the multilateral institutions – WTO, IMF, G20 – and creating stable rules alongside other governments on multiple issues; sticking to guiding principles; imposing reciprocity in trade, including gradual and proportionate reprisals; opening new trade treaties, with partners such as Mexico, Mercosur or Japan; maintaining the essence of the agreements signed (climate change and the nuclear deal with Iran); and on security, pursuing strategic autonomy for Europe, compatible with NATO membership.

CHAPTER VII:

THE DIVERSE CONSEQUENCES OF TECHNOLOGICAL TRANSFORMATION IN THE UNITED STATES AND THEIR REPERCUSSIONS FOR EUROPE

Presentation delivered by Manuel Muñiz, June 29th 2017

Whereas the historical indexes of social development and material prosperity saw a slow linear development for almost two millennia, that rate of development skyrocketed with the increase in productivity brought about by the technological advances of the scientific and industrial revolutions. Right now, we are in the midst of a peak of acceleration in the rate of transformation of human socio-economic activity. When we take a look at the GDP across the regions of the world, a substantial component of humanity's economic development is concentrated in this historical period. Our capacity as a species to generate prosperity, be it to sustain populations or to produce material wealth, is directly linked to the application of scientific-technological advances in productive processes.

Currently, we are undergoing what has been categorized as the fourth industrial revolution, with artificial intelligence and automation poised to cause an unprecedented transformation of the productive model. This high-tech industrial revolution brings forth a variety of challenges, which I reduce to just two in order to simplify; one is a profound transformation of the labor market, the other is a stagnation of incomes for the middle and working classes along increasing levels of inequality.

Structural change in the labor market

Looking at historical data can be quite helpful in order to have a deeper understanding of the extent of this transformation in the labor market. For instance, the agriculture sector employed around 60% of the American workforce in 1860, a figure which had dropped to about 5% by 1980. Nevertheless, the United States remains a net exporter of agricultural products because of the increase in productivity that has taken place in parallel to this collapse in employment. Likewise, according to statistics compiled by Brookings, the total number of American citizens working in the industrial-manufacturing sector halved between 1980 and 2015, while the productivity related to industrial goods grew by 250%. While an approximate 25 workers were required in 1980 to generate industrial goods by value of 1 million US dollars, only 6.4 workers are needed in 2015 to produce that same output value. We have seen a similar process of transformation in the labor market to the one seen in the agricultural sector, only in this case with the industrial sector changing at a faster pace: what took about a hundred years in agriculture earlier, has taken place in manufacturing in fifty years, more or less. Importantly, what we are seeing is that this has started affecting the service sector at an even faster rate, producing a transformation in a shorter time period, causing the frictions that are having a noticeable impact on political behaviors. Thus, we are expecting to undergo in a time span of 25 years a labor market transformation that in earlier periods of recent history took 50-100 years.

Oft-cited research by the Oxford Martin School that provides estimates of the probability that particular occupations will be lost to computerization (this term is used instead of the more generic 'automation' because of the algorithmic nature of these tasks), the majority of these 'at high-risk of disappearing jobs' pertain to the service industry. These include secretarial and administrative positions, translators, travel agencies, etc. To highlight a sector that is bound to be particularly affected, it seems that self-driving vehicles will put massive numbers of transport professionals such as truck drivers or taxi drivers out of their jobs. Only in the United States, there are 3 million transport jobs at high risk of disappearing, a number that isn't surprising when we take into consideration the fact that truck drivers figure as the most common occupation in more than half of the American states. Thus, while in Spain and elsewhere we are witnessing conflict between traditional taxi drivers and the disruptive business model brought by Uber, we may see both taxi drivers and Uber drivers fighting together against driverless vehicles ten years from now.

At an aggregate level, the most important observable trend might be the divergence between productivity levels and employment incomes. Some of us have referred to this issue as a 'fracture of the social contract', meaning that our model of economic development over the last 150-200 years has ceased to function correctly. The theory behind the model was that economic gains brought about by increases in productivity, both in the production of goods and services, would 'trickle down' to the middle and working classes: this hasn't been proven to be the case from the 1970s up to now. The hypothesis I propose is that technology is the main factor behind this trend. Ultimately, the productive model has found a way of gaining productivity and concentrating pre-tax earnings, without creating as much employment or redistributing the wealth created by that employment. Political, regulatory and other factors might have played a part in this, but there hasn't been either a regulatory or fiscal transformation of sufficient scale that could account for this trend without this deep transformation in the productive model.

This transformation is producing a remarkable stagnation of income for the middle class, which has seen incomes freeze, at best, or drop over this period: a report compiled by the McKinsey Global Institute observes this situation in more than 70% of British households, more than 80 percent of American families and over 90% of Italian homes, with Spain lying somewhere in between the UK and the US. Moreover, research on trends relating to intergenerational economic mobility, found out that there is a 50% chance that an American citizen born in the 1980s will earn more throughout his life than his parents. We are talking about the death of the 'American dream', a reality that Trump was astute to capitalize on to galvanize disenchanted voters. Another telling figure is provided by French economist Thomas Piketty, who calculated the share of wealth that went to the highest-earning percentile (top 1%) in the US during the recovery period between 2009 and 2012. A staggering 95% of the wealth generated over those years went to the 1%, a tendency that has become progressively visible since the 1970s. Thus, over the last 50 years there has been a clear accumulation of earnings among the richest segment of the American society. At a global level, a study published by Oxfam found in 2015 that the highest-earning percentile of the world possessed more wealth than the remaining 99%. The increase in the income gap between the highest-earners and the combination of middle classes and precarious low-earners causes frustration at what is seen as an unjust economic system, producing momentous political consequences.

Political outcomes of the economic frustration

To summarize, I've reduced to three the ways in which these technological and economic tendencies have struck the political system: a combination of pessimism and anti-elitism; an anti-liberal sentiment, with the embrace of political outsiders who promise to break with the established order; and finally, a decline in support for democracy as a governance system, the final product of the erosion in the system's legitimacy.

Starting with the first tendency, pessimism towards the future economic conditions seems to be closely linked to voting behaviors supportive of disruptive, anti-establishment political alternatives. A survey undertaken two weeks prior to the 2016 presidential election by the Pew Research Center showed that more than 80 percent of Trump voters believed that living conditions for people like them were worse than half a century ago, as opposed to only 19% among Clinton voters. In this way, we can observe a significant correlation between pessimism and voting for an anti-establishment candidate such as Donald Trump. Along similar lines, surveys have indicated that a solid majority among Western countries believe that the younger generations are bound to live in worse conditions than previous generations. Anti-elitism is the flip side of the coin, a trait that was made obvious in the 2016 British referendum on the European Union. YouGov data reported by the Financial Times showed that Brexit voters were likely to have very low levels of trust towards figures associated with economic and intellectual elites, signaling a correlation between anti-elitism and a vote for the UK to leave the European Union, also associated with the liberal cosmopolitan elite. The disparaging reactions from media pundits and political analysts towards political outsiders and their supporters seem to only entrench these discontent voters in their anti-elitism, something that is not extremely surprising given the empirical observations suggesting that these voters may have reasonable arguments to be disappointed with the established political order, causing them to vote for candidates that promise to break with the status quo in favor of disenfranchised citizens.

Secondly, we can observe a clear upward trend in support for far-right parties (far-left parties too, although to a lesser extent) across European countries since the 1990s. These increasingly popular political parties share a common set of stances within their anti-liberal agenda, including Euroscepticism, anti-globalization rhetoric, anti-migration policies, etc. Chiefly, these parties display hostility for the broad liberal-democratic consensus that preponderated across a big part of the Western world after the Second World War, and its totality since the fall of the Berlin Wall.

Aside from the case that current issues concerning income distribution and inequality may have been caused to a degree by the dominant economic logic in this post-war framework, another important feature is that this liberal order requires a strong relationship of trust between elites and the general population, given the technical complexities of the system. There is no 'serious' theory of European integration in which political or economic elites don't play a vital role: and it is these elites that are expected to better understand the benefits of integration and the costs of disintegration. If trust between elites and voters breaks down, the integration process crumbles like a house of cards, which is why I believe that the European Union may be one of the main victims of this trend. Therefore, we can expect that this political tendency will result in a weakening of the EU, especially if the underlying trends that are producing an erosion of trust in the system are not properly addressed.

International commerce displays similar characteristics: it is extremely technical, it is carried out by representatives, and requires trust in those representatives. If we take a look back to data spanning from January 1929 to January 1933, a period in which the economy was highly interconnected and global trade was also called into question, we can observe the fragility of international commerce when the sort of protectionist policies that are now being implemented take over. Over the course of those four years, international trade had shrunk to a third of its size at the beginning of 1929, the year in which the Great Depression began.

Finally, we are witnessing a progressive loss of faith in democracy as a governance system, as illustrated in research undertaken by colleagues from the Harvard Government Department and featured in the Journal of Democracy and multiple op-eds at the New York Times. These researchers asked American citizens on their support for the idea of a strong leader who needn't worry about parliament or winning elections (an indirect measure of support for authoritarianism without mentioning authoritarianism itself, given that mention of it would skew the results), and found that a third of Americans believe that would be 'good' or 'very good', a figure that has been growing. My hypothesis is that these people belong to collectives that have already voted Republicans or Democrats in previous elections, but are now turning to independent candidates. The political system hasn't responded to their priorities, which is why they begin to question the entire political framework.

Furthermore, these researchers asked Americans and Europeans born in different generations whether they considered it 'essential' to live in a democratic system. Among the Americans, the number of people that consider democracy an essential governance system has dropped from over 70% among those born in the 1930s, to just about 30% among the younger generations (there is room for debate around the methodology, concerning whether the meaning of 'essential' has changed, but this is relatively incidental). This trend has also been observed across Western countries such as Sweden, Australia, Netherlands or New Zealand, marking a collapse in the number of people that believe it is essential to live in a democracy as you approach the younger generations.

Concluding remarks

To recap and wrap up, the main cause behind the political radicalization we are witnessing is a structural change in the economy, in the way that wealth is generated and distributed, produced fundamentally by technological transformation. This profound change in the productive model is provoking a political turmoil which may be in its early days, and only keep growing, if problems such as increasing inequality are not tackled. The historical analogy that I find more helpful in understanding this process goes back to the period between the late 19th century and the early 20th century, when a profound transformation of the economic model also took place, leading to the emergence of a new socio-economic class, the proletariat. Nowadays, this new socio-economic class is the 'precariat', the rising number of unemployed, subemployed and underemployed people living and working in precarious conditions, and we can easily observe a great correlation between belonging to this socio-economic class and voting for radical parties. Moreover, the political turmoil that surrounded the emergence of the proletariat led to a redrafting of the social contract between 1930s and the 1950s, with the extension of voting rights and the creation of a redistributive taxation system and a welfare state. The million-dollar question is what form the new social contract of our era will take. It is a huge question that we are only starting to consider and to which some opinions and answers have begun to appear, but we are still at an extremely early phase.

CHAPTER VIII:

A CONVERSATION ON TRADE, GLOBALIZATION AND THE EU WITH DANI RODRIK

Videoconference - February 7th 2018

Despite the recent developments in global trade set in motion under the Trump presidency, when it comes to formulating an argument on trade agreements, it is important to avoid framing the issue as an opposition between protectionism and free trade, especially for progressives. In many ways, what we have found in trade agreements to date has been a particular kind of protectionism that applies to specific interests, be they transnational corporations, pharmaceutical companies, firms in the financial sector, etc. In fact, whether we talk about TPP, TTIP or any of the trade agreements that have been negotiated in the last two decades, it really has not all been about free trade. Progressives should not be against trade agreements per se. Instead, they should underscore that these treaties need to be significantly rebalanced, by shoving off the special interests that have been privileged to date and arriving to agreements that are broadly more favorable to labor conditions, civil society organizations, the environment, social solidarity, etc. Trade agreements revolving around these elements would be very positive. There is also a question about timing and tactics, and now is probably not the right time to push forward new trade agreements. Pause is needed, and the domestic economy should be prioritized in order to rebuild the legitimacy of the international economy. In the European context, this is mostly about fixing the current problems that the EU faces, whereas in the United States it is mostly about fixing the domestic social contract. When discussing trade agreements in the medium and long term, it should be emphasized that this is not about choosing between protectionism and free trade, but about defining a set of rules that are more beneficial to broader society. In this way, we'd be moving away from a particular kind of protectionism that has been embedded in what we have come to call 'free trade' agreements, and in reality are anything but that.

As to the question of whether a different kind of globalization is possible, bridging the gap between the anti-globalization attitude and the neoliberal globalization model we are familiar with by way of an alter-globalization stance, my response would be that it is certainly possible. The specific form taken by globalization is not outside our control; it is shaped by the rules that we decide. If we decide that trade agreements are going to be about providing investors with special investor courts, or giving pharmaceutical companies lengthy monopoly protections, we are creating one kind of globalization. Instead, we could be negotiating about harmful tax competition or corporate tax competition across countries, and in fact the economic gains would be much larger. Similarly, we could be negotiating about labor mobility from poor countries to rich nations and regularizing temporary work visas, and the economic gains would be much larger too if agreements revolved around these terms. There is a wide range of topics we could be discussing that would all result in a different kind of globalization; the problem is that people associate globalization with what it has come to be under the so-called neoliberal model, which doesn't have anything to recommend itself, not only from a broader social perspective, but even from the point of view of narrow economics. The current model of trade agreements cannot be really supported on the basis of mainstream economics, all the while the agenda has been totally captured by special interests. The trouble is that people don't see an alternative, or can't even picture what an alternative globalization would look like.

For Europeans, the biggest opportunity is to show the alternative to this model of globalization through the work of the EU itself. The single market is the most advanced form of globalization around the world; it is an example of economic integration that has gone further than anywhere else, in monetary-financial terms as well as in markets for goods, services and labor. The reason why the EU project is in trouble is also because it has developed in a very one-sided way, pushing hard in the economic direction, and not nearly enough on the social and political dimensions. There is an economic Europe, but there is barely a social-political Europe. The real challenge I see in terms of fixing globalization lies close to home in the European context: the world looks at Europe to show the way forward, to prove that there is another model of economic integration that is underpinned by a progressive social model. This is the great opportunity that Europe has missed so far. If the priority is fixing the situation at home, in Europe this means fixing the EU, rather than unnecessarily spending valuable political or intellectual capital on redesigning global trade agreements.

Finally, with regards to the debate concerning the relationship between globalization and the quality of labor conditions, my view is that although globalization has undeniably affected particular communities and produced politically salient phenomena, it hasn't produced overall a very significant effect on the general level of wages. In other words: it is difficult to identify a very large effect of globalization on wages, at a general level; but if you ask particular communities in the US that produce the kind of goods that compete directly with the Chinese or Mexican exports, it is obvious that these communities have been hurt. Not only the producers, but the communities they live in. Indeed, we have a problem that spatially and geographically is quite heterogeneous and that has significant political effects. Going forward, however, the bigger issue is not going to be globalization. There is a widespread sense that the globalization shock on the labor market and wages is largely behind us; the effects of globalization on employment conditions are becoming less of an issue compared to the consequences of technology and the new digital economy. Thus, the focus in the near future is likely to be centered on questions about technology and automation. Ultimately, the question is whether we will see an equivalent version of the backlash that we have experienced against globalization, translated into a fight against technology, automation and robots.

CHAPTER IX:

A CONVERSATION ON TRUMP, MULTILATERALISM AND THE EU WITH STEPHEN WALT

Videoconference - April 25th 2018

While remarks about a 'crisis of multilateralism' have become commonplace over the last few years, especially since the Trump administration took over the United States government, we shouldn't make the mistake of believing that multilateral decision-making is behind us. Yes, multilateralism is being seriously challenged nowadays, but we shouldn't lose sight of the fact that there's still a huge amount of multilateral activity taking place every day in the international system. Despite growing uncertainty, quintessential multilateral institutions such as the WTO and NATO are still functioning, whereas the Paris climate agreements are moving forward without the US. Similarly, the Trans Pacific Partnership (TPP) also went ahead despite Trump's decision to remove the US from the treaty. Moreover, we have to bear in mind the reality that most countries have no choice but to continue to cooperate within the framework of multilateral institutions. Interdependence between states is well advanced and it is much more efficient to develop these relationships on a multilateral basis than having to negotiate bilaterally with every state.

When the president of a global superpower that has championed free trade and multilateral institutions for decades adopts the discourse and policy that Trump chooses, it is natural to point towards an erosion of the multilateral order; but beyond the headlines, the truth is that multilateral institutions are operating, and the United States are ultimately involved in their development. The US is going to remain an extremely powerful and influential actor for decades to come, because the country still possesses all of the features that have made it powerful in the past. For instance, apart from being the world's largest economy in quantitative terms, the American economy is qualitatively sophisticated, innovative and diverse, since it isn't as dependent on foreign trade as other countries. These are huge assets. Of course, it still retains enormous military power, and that is not going to change. Furthermore, the US has a quite favorable demography, with a growing population that is relatively young when compared to other powers such as China, Russia, Japan or Germany. If you look at Europe as a whole, you can clearly see the possibility of a demographic problem, as the population is getting older across the continent and even shrinking in certain countries. Thus, if you analyze the 'macro' sources of power, the US seems to be in a pretty good position. Add to that a coincidental geopolitical factor, which is that it doesn't have particularly threatening neighboring countries. China, for example, doesn't have that luck, given that it's surrounded by countries with which it has somewhat delicate relationships.

It is also worth noting that America's soft power and popularity tend to fluctuate rapidly. If we take into account surveys undertaken across countries, the US was rather unpopular by the end of the Bush presidency. Then, Barack Obama was elected, and the US became incredibly popular again. Obama wins a Nobel Peace Prize in his first year as president, and according to a survey conducted across 37 countries during his last year, two thirds said that they trusted the US to lead the international system. That's a high level of trust. Now, Donald Trump is elected, and six months after his election that same figure drops from 65% to 22%. What I'm suggesting is that the situation can change dramatically under a different president in a few years, which means that the American leadership in the international system is up to the US and the role it wants to play.

If we observe relationships with other countries in North and South America, we realize that Trump's presidency hasn't changed the situation that much. There were significant concerns about the decision to get rid of NAFTA, but renegotiating the treaty was a perfectly sensible thing to do. The agreement was negotiated a quarter of a century ago and many areas of economic activity weren't covered at all, so it made sense to update it to present conditions. With respect to the South, I think that Trump is just a more extreme example of something we've seen many times before, which is a tendency among American leaders to take Latin America for granted, paying relatively little attention to it. George W. Bush didn't pay much attention, while Obama didn't pursue an extensive policy apart from the initiative to unfreeze relations with Cuba. If anything, the Trump administration has just taken the tendency further, fixating efforts on Iran, China, North Korea, Russia, etc.

The main problem with the current administration is its explicitly unenthusiastic approach to partnerships it previously had with other countries. This is evident when it comes to the G-20, a multilateral forum that was essential in facilitating decision-making to tackle the global financial crisis. Trump is probably not aware enough of what the G-20 is about, and we're seeing another case in which politics is overcoming economics in some respect. The deteriorating political relationships between China and the US, as well as between Russia and the West, are undermining the degree to which the G-20 can be an effective institution.

There's no doubt that the relationship between Russia and the US has deteriorated dramatically – certainly in recent years, but I would argue that it began to fall apart sometime in the mid-1990s, in particular with the NATO expansion, moving eastward to include countries that had been part of the Warsaw Pact. This surely played a critical role. More recently, the situation in Ukraine has changed the way both countries look at each other. This shift in attitude has been exacerbated by the notion that Russia interfered in the American election as well as by apparent attempts to cause instability in Western Europe. As for the former, I believe that the interference has been greatly exaggerated in the US; it's clear that Russia was interfering in various ways that Americans should be upset about, but it ultimately didn't have the massive effect that some argue. Russian interference isn't the reason Trump was elected.

Curiously, Trump might be the president who finds himself in a worse position to try and deescalate tensions, given all of the questions about his own dealings and possible connections with Russia, the fact that his campaign might have tried to get information from the government, etc. If Trump tried to repair the damaged relationship, it would be perceived with great suspicion, and the Democratic Party would quickly accuse him of being Putin's puppet. It's even possible that people in Moscow are now looking at that campaign as a failure, because the relationship with the US and Europe has only gotten worse, instead of achieving a favorable transition. It is ironic that if Russia was trying to get Trump elected, they might have ended up with a president who can do relatively little to improve their relations, something which is unfortunate for the US as well and not good for Europe either.

Another point that is important to have in mind is that both the United States and Europe are also in some ways responsible for the deterioration of relations with Russia. It is overly simplistic to suggest that it is entirely Russia's fault. For example, the rather aggressive effort from the US and the EU to bring Ukraine into the Western sphere may have been a mistake. If the situation on the ground would have been better analyzed, Americans and Europeans might have understood that Ukraine was a red line for Russia, who would act to prevent that alignment process from going forward. That is of course what happened, at great cost for the Ukrainian population, so we in the West bear some responsibility as well, even if you don't hear people in the US or in Europe recognizing this as a case of mutual misunderstanding where both sides might have acted illegitimately or done things wrong.

As for the question of whether multilateralism needs to be linked to a liberal order to function, the fact that there are powerful non-liberal states in the system doesn't imply that multilateralism is obsolete or no longer an available option. The liberal order is under considerable strain in the West for a variety of reasons, many of them having to do with the effects of the financial crisis. You have the recent developments in European member states such as Hungary and Poland, with governments clearly moving in an illiberal direction, to which I might add what has happened in Turkey, where 15 or 20 years ago people were hopeful that the country would be on its way to a more liberal path and eventually join the EU, perhaps. This is clearly not happening. Also, two decades ago people expected that as China developed and Russia adopted free markets, a large middle class would come about, taking the countries in a more liberal trajectory, something that clearly hasn't been the case either.

Thus, we're not going to have a liberal world order as people might have expected when the USSR collapsed, but that doesn't mean that you can't have a multilateral order that includes some liberal states and some non-liberal states, provided that they can agree on a set of rules and that they are willing to abide by those. It may be different to what you might see if all of the states were liberal democracies, but it can work nevertheless. The WTO is an example of a reasonably effective institution that includes both liberal and illiberal states. It probably needs updating and reform on many fronts, but that is true of most institutions. Likewise, the 'grandfather' of multilateral institutions, the United Nations, combines liberal and non-liberal states as well, of course.

Finally, I don't think that the EU is as a whole likely to rise to be on a par with the US or China in the years ahead, in terms of strategic influence. My own view, and I hope I'm wrong here, is that the EU is going to face a series of problems over the next 10 or 15 years that will be very difficult to solve. Even if the Brexit impasse is eventually overcome, continued relatively slow growth in much of the Eurozone, certain situations that are taking place in Eastern Europe and the declining confidence in the entire EU project will prove to be big obstacles. The EU may still be seen as a useful institution for Europeans in the long run, but I'm afraid that won't make it a major independent player in the international system.

LIST OF WORKING SESSIONS AND SPEAKERS

DATE	TOPIC	SPEAKERS
June 29th 2017	The diverse consequences of technological transformation in the United States and their repercussions for Europe	**Manuel Muñiz** Dean of IE School of Global and Public Affairs & Rafael del Pino Professor of Practice of Global Transformation
October 11th 2017	The energy transition and the Paris Agreement in the U.S.: Energy and Environment	**Ana Belén Sánchez** Former Coordinator of Sustainability Department, Fundación Alternativas **Mike Williams** Vice President of the BlueGreen Alliance
November 27th 2017	New trends in communication, Fake News and its political impacts	**Cristina Manzano** Director of esglobal **William H. Dutton** Quello Professor of Media and Information Policy in the College of Communication Arts and Sciences at Michigan State University, Director of the Quello Center
February 7th 2018	The crisis of free trade in the U.S. and Europe and the prospects of Mega-Agreements	**Dani Rodrik** Ford Foundation Professor of International Political Economy at Harvard's John F. Kennedy School of Government, President-Elect of the International Economic Association
March 1st 2018	The use of Spanish in the U.S. presidential campaigns, in US politics and its implications	**Daniel Ureña** President of The Hispanic Council
April 25th 2018	U.S. retreating on trade: the crisis of multilateralism and its impact on the EU and the world	**Stephen Walt** Robert and Renée Belfer Professor of International Affairs John F. Kennedy School of Government Harvard University
June 6th 2018	The crisis of the traditional political parties and the bipartisanship in the US	**Alana Moceri** International relations analyst, commentator and writer and professor at the Universidad Europea de Madrid

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ANNEX I ACRONYMS

CoM – Covenant of Mayors

CPA – Clean Power Act

EERS – Energy Efficiency Resource Standards

EEUS – European Energy Union Strategy

ETS – Emission Trading Scheme

GDP – Gross Domestic Product

GHG – Greenhouse Gas

IMF – International Monetary Fund

KP – Kyoto Protocol

NAFTA – North American Free Trade Agreement

NATO – North Atlantic Treaty Organization

NDC – Nationally Determined Contribution

OECD – Organization for Economic Cooperation and Development

RPS – Renewable Portfolio Standards

TPP – Trans-Pacific Partnership

TTIP – Transatlantic Trade and Investment Partnership

WTO – World Trade Organization

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January 2019